

California State Teachers'
Retirement System
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October 19, 2006

TO: Community College Districts

FROM: EXECUTIVE OFFICE

SUBJECT: Employer Directive 2006-03

SB 1465 (Chapter 654, Statutes of 2006) and

Implementation of AB 1586 (Chapter 442, Statutes of 2004) Community College Part-time and Adult Education Instructors

Reporting Base Hours for 2006-07 School Year

PURPOSE

The purpose of this directive is to inform employers of the enactment of SB 1465 (Chapter 654, Statutes of 2006), which, in part, relates to the implementation of AB 1586 (Chapter 442, Statutes of 2004). SB 1465 gives the California State Teachers' Retirement System (CalSTRS) the authority to establish and implement certain factors and assumptions to determine the compensation earnable of a member employed by a community college prior to July 1, 1996.

SCOPE

This directive applies to all community college districts that employ part-time and adult education instructors to perform creditable service under CalSTRS' Defined Benefit (DB) Program.

AB 1586 requires CalSTRS to recalculate the benefits of part-time instructors and adult education instructors who were members of CalSTRS' DB Program, employed by a community college prior to July 1, 1996, and retired on or after that date. The purpose of the recalculation is to address a possible inadvertent reduction in benefits.

The employer must annually report to CalSTRS the standard (number of base hours) used to determine a full-time position for part-time and adult education instructors. It is critical for you to provide this information as it is needed for CalSTRS to perform the comparison calculations for affected members.

DISCUSSION

Prior to July 1, 1996, the law stated that the minimum standard for all community college instructors was 1,050 hours per school year. Effective July 1, 1996, and clarified January 1, 1999, in California Education Code, Section 22138.5, the *minimum* standards for community college part-time instructors and adult education instructors were reduced to 525 instructional hours and 875 hours respectively.

It is important to realize that these are *minimum* standards and that it is not mandatory for a community college district to convert to a lower standard. The intent of the changes to the Education Code, however, is to establish standards that accurately reflect the full-time teaching load for part-time and adult education community college instructors.

The changes to the minimum standard resulted in community college instructors hired on a part-time basis accruing service credit at an accelerated rate. If an employer converted to a lower standard, the employee's compensation earnable was reduced proportionately; this action may have had the unintended consequence of lowering the member's final compensation when they went into benefit status.

ACTION

CalSTRS will recalculate the benefits of community college part-time and adult education instructors who meet *all* of the following criteria:

- 1. were hired by a California community college before July 1, 1996,
- 2. received a benefit on or after July 1, 1996, and
- 3. their employer converted to a lower standard (lower number of base hours) after July 1, 1996.

In order for CalSTRS to perform a benefit comparison calculation for eligible members, each community college district is required to provide CalSTRS with the standard (number of base hours) used. The number of base hours is usually determined by the district through the collective bargaining process.

The base hours will eventually be captured by the system on a per member per assignment basis. In order to expedite the process, however, CalSTRS is currently requesting that you provide us with the base hours used by your district for the 2006-07 school year.

Base Hours for the 2006-07 School Year
Please submit the following information to CalSTRS Community College Recalculation Project by e-mail, fax, or standard mail:
Community College District Name:
CalSTRS-assigned Unit Number: *
Community College Contact Name Contact's Telephone number and/or e-mail
2006-07 Base Hours for Part-time:
2006-07 Base Hours for Adult Ed.:
Note: If your district applies different standards (base hours) to different subjects (such as 525 hours for English and 540 hours for chemistry) then only submit the lowest standard (base hours) used.
* A list of the 72 California Community College Districts and their respective CalSTRS-assigned reporting unit numbers has been attached for your reference.

Contact information:

Community College Recalculation Project California State Teachers' Retirement System P.O. Box 15275 Sacramento, CA 95851-0275

Fax 916-229-0969 (Attn: Community College Recalculation Project)

Regina Diaz, (916) 229-0967, <u>rdiaz@calstrs.com</u>; or Linda Mains, (916) 229-0122, <u>lmains@calstrs.com</u>.

Jack Ehnes Chief Executive Officer

Appendix

CALIFORNIA COMMUNITY COLLEGES CALSTRS-ASSIGNED REPORTING UNIT NUMBERS

Unit #	COMMUNITY COLLEGE DISTRICTS
42051	ALLAN HANCOCK JOINT COMMUNITY COLLEGE
19015	ANTELOPE VALLEY COMMUNITY COLLEGE
36270	BARSTOW COMMUNITY COLLEGE
04030	BUTTE COMMUNITY COLLEGE
44025	CABRILLO COMMUNITY COLLEGE
19150	CERRITOS COMMUNITY COLLEGE
01065	CHABOT-LAS POSITAS COMMUNITY COLLEGE
36271	CHAFFEY COMMUNITY COLLEGE
19169	CITRUS COMMUNITY COLLEGE
30090	COAST COMMUNITY COLLEGE
19200	COMPTON COMMUNITY COLLEGE
07079	CONTRA COSTA COMMUNITY COLLEGE
36279	COPPER MOUNTAIN COMMUNITY COLLEGE
33001	DESERT COMMUNITY COLLEGE
19290	EL CAMINO COMMUNITY COLLEGE
32051	FEATHER RIVER COMMUNITY COLLEGE
43171 43172	FOOTHILL-DE ANZA COMMUNITY COLLEGE GAVILAN JOINT COMMUNITY COLLEGE
19381	GLENDALE COMMUNITY COLLEGE
37053	GROSSMONT CUYAMACA COMMUNITY COLLEGE
27024	HARTNELL COMMUNITY COLLEGE
13001	IMPERIAL COMMUNITY COLLEGE
15053	KERN COMMUNITY COLLEGE
09023	LAKE TAHOE COMMUNITY COLLEGE
18400	LASSEN COMMUNITY COLLEGE
19551	LONG BEACH COMMUNITY COLLEGE
62555	LOS ANGELES COMMUNITY COLLEGE
34094	LOS RIOS COMMUNITY COLLEGE
21085	MARIN, COLLEGE OF
23051	MENDOCINO-LAKE COMMUNITY COLLEGE
24250	MERCED COMMUNITY COLLEGE
37054	MIRA COSTA COMMUNITY COLLEGE
27040	MONTEREY PENINSULA COMMUNITY COLLEGE
19630	MT. SAN ANTONIO COMMUNITY COLLEGE
33003	MT. SAN JACINTO COMMUNITY COLLEGE
28030	NAPA VALLEY COMMUNITY COLLEGE
30088	NORTH ORANGE COUNTY COMMUNITY COLLEGE
01061	OHLONE COMMUNITY COLLEGE
33005	PALO VERDE COMMUNITY COLLEGE
37052	PALOMAR COMMUNITY COLLEGE
19705	PASADENA AREA COMMUNITY COLLEGE
01063	PERALTA COMMUNITY COLLEGE
30092	RANCHO SANTIAGO COMMUNITY COLLEGE
12035	REDWOODS COMMUNITY COLLEGE
19749	RIO HONDO COMMUNITY COLLEGE

Unit #	COMMUNITY COLLEGE DISTRICTS continued
33007	RIVERSIDE COMMUNITY COLLEGE
36272	SAN BERNARDINO COMMUNITY COLLEGE
37060	SAN DIEGO COMMUNITY COLLEGE
63098	SAN FRANCISCO, CITY COLLEGE OF
39550	SAN JOAQUIN DELTA COMMUNITY COLLEGE
43176	SAN JOSE/EVERGREEN COMMUNITY COLLEGE
40910	SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE
41050	SAN MATEO COUNTY COMMUNITY COLLEGE
42052	SANTA BARBARA COMMUNITY COLLEGE
19795	SANTA CLARITA COMMUNITY COLLEGE
19801	SANTA MONICA COMMUNITY COLLEGE
54075	SEQUOIAS, COLLEGE OF THE
45036	SHASTA-TEHEMA-TRINITY JOINT COMMUNITY COLLEGE
31042	SIERRA JOINT COMMUNITY COLLEGE
47031	SISKIYOU JOINT COMMUNITY COLLEGE
48527	SOLANO COUNTY COMMUNITY COLLEGE
49091	SONOMA COUNTY JUNIOR COLLEGE
30096	SOUTH ORANGE COUNTY COMMUNITY COLLEGE
37055	SOUTHWESTERN COMMUNITY COLLEGE
10650	STATE CENTER COMMUNITY COLLEGE
56626	VENTURA COMMUNITY COLLEGE
36273	VICTOR VALLEY COMMUNITY COLLEGE
10017	WEST HILLS COMMUNITY COLLEGE
15054	WEST KERN COMMUNITY COLLEGE
43175	WEST VALLEY-MISSION COMMUNITY COLLEGE
50053	YOSEMITE COMMUNITY COLLEGE
58045	YUBA COMMUNITY COLLEGE